EXCISE

768

Department of State TELEGR

CONFIDENTIAL

AN: D730114-0765

PAGE 01 PARIS 29595 161854Z

60
ACTION EUR-25

INFO OCT-01 EA-11 ISO-00 CIAE-00 DODE-00 PM-07 INR-10 L-03

NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03 SS-20

USIA-15 ACDA-19 IO-14 AF-10 EB-11 COME-00 INT-08

TRSE-00 SCEM-02 NEA-10 CIEP-02 OMB-01 STR-08 CEA-02

SCI-06 NSF-04 DRC-01 /209 W

01565

R 161713Z NOV 73
FM AMEMBASSY PARIS
TO SECSTATE WASHDC 4827
INFO AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY COPENHAGEN
AMEMBASSY LUXEMBOURG
AMEMBASSY LONDON
AMEMBASSY ROME
AMEMBASSY THE AGUE
AMEMBASSY TOKYO
EC BRUSSELS
USMISSION NATO

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY Cf DATE 12/20/82
RDS☐ or XDS☐ EXT. DATE
TS AUTH. REASON(S)
ENDORSE EXISTING MARKINGS ☑
DECLASSIFIED☐ RELEASABLE☐
RELEASE DENIED☑ IN PART
PA or FOI EXEMPTIONS B1, B5

C O N F I D E N T I A L PARIS 29595

E.O. 11652: GDS
TAGS: ENRG, FR
SUBJECT: GOF PETROLEUM ACTIONS
REF: (A) BRUSSELS 6547 (B) PARIS 28959 (C) PARIS 25914 (D) PARIS 2846
6

DEPARTMENT: PASS MINIMIZE POSTS AS APPROPRIATE

[redacted] (B)(1)(5)

GOF APPEARS TO REMAIN HOPEFUL THAT INFORMAL SOLUTION CAN BE REACHED

WITH ARABS TO EASE OIL EMBARGOS (REFTELS B AND C), ALTHOUGH WE NOT INFORMED OF ANY SPECIFIC FRENCH DIPLOMATIC EFFORTS TO THAT END. [redacted] (IN

THIS RESPECT, RECENT FRENCH PUBLIC OPINION POLL SHOWED 65 PERCENT OF FRENCH WOULD BE PREPARED TO HELP DUTCH EVEN AT COME COST TO SELVES).

GOF EXPECTS OIL COMPANIES TO ASSUME BURDEN OF MEETING DUTCH AND OTHERS' SHORT TERM NEEDS THROUGH INFORMAL MECHANISMS, WHILE CONTINUING TO FAVOR QUIET, BEHIND SCENES EFFORTS TO RELAX SUPPLY CURBS. [redacted]

2. GOF HAS CONTINUED TO TAKE STEPS DOMESTICALLY TO PREPARE FOR POSSIBILITY OF OIL SHORTAGES. GOVERNMENT SPOKESMAN HAVE CONTINUED TO EMPHASIZE THAT CRUDE OIL SUPPLIES REMAIN UNAFFECTED AND THAT STOCKS UNTOUCHED, WHILE AT SAME TIME URGING POPULACE TO AVOID WASTEFUL USE OF ENERGY IN INTEREST OF CONSERVING AVAILABLE SUPPLIES OVER LONG TERM. FUEL OIL SUPPLY PROBLEMS WHICH HAVE BEEN ENCOUNTERED BY INDEPENDENT DEALERS (WHO HAVE LOST APPROXIMATELY 1 MILLION TONS OF FUELS NORMALLY IMPORTED FROM EAST EUROPE) ARE BEING SPREAD BY OBLIGING REFINERS TO SUPPLY 70 PERCENT OF INDEPENDENTS NEEDS (REFTEL D PARA 3). COMMISSIONS OF GOVERNMENT OFFICIALS, OIL REFINERS, AND INDEPENDENTS BEING SET UP AT PROVINCIAL LEVEL TO MONITOR THIS APPORTIONMENT SCHEME. GOF ALSO TIGHTENING ITS CONTROL OVER REFINER IMPORTERS, WHO BEING REQUIRED TO FILE WEEKLY STATEMENTS OF SUPPLY POSITIONS AND PROJECTIONS, AS WELL AS SCHEDULE OF SHIPS DECLARING FOR FRENCH PORTS AND NOTICE OF THEIR ARRIVALS.

3. WE UNDERSTAND THAT SUPPLIES ALLOCATED SO FAR BY U.S. MAJORS TO THEIR

FRENCH SUBSIDIARIES REMAIN SUBSTANTIALLY AT PRE-SEPTEMBER LEVEL, ALTHOUGH LOCAL SUBSIDIARIES--WHO ARE CAUGHT BETWEEN GOF DEMANDS THAT THEY MAINTAIN PREVIOUS LEVELS OF DELIVERIES AND PARENT COMPANIES NEEDS-- ARE NERVOUS THAT THIS SITUATION CANNOT LAST MUCH LONGER. ELF AND CFP HAVE ALREADY DEVELOPED MINOR SUPPLY PROBLEMS. OCCIDENTAL, MARATHON, AND OSIS INFORMED ELF THIS WEEK THAT THEY UNABLE TO MEET COMMITMENTS FOR DELIVERY LIBYAN CRUDE DUE TO NEW PRODUCTION RESTRICTIONS

AND THEIR PREVIOUS PARTIAL NATIONALIZATIONS, ALGERIANS HAVE ALSO TOLD CFP AND ELF THAT THEIR LIFTINGS OF ALGERIAN CRUDE WOULD BE REDUCED 25 PERCENT AND THAT THEY WILL ONLY BE ABLE TO MAINTAIN PRESENT

LEVEL OF SUPPLIES TO FRANCE BY CUTTING BACK CRUDE SALES TO OTHER CUSTOMERS (THIS MAY EVENTUALLY EFFECT THEIR REFINERY OPERATONS IN ITALY AND GERMANY). IT THUS BECOMING INCREASINGLY CLEAR TO FRENCH PUBLIC AND GOF THAT FRANCE CANNOT REMAIN UNAFFECTED BY GENERAL SUPPLY SHORTAGES OF PRESENT OR POSSIBLE FUTURE MAGNITUDE.
IRWIN